GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2034
ANSWERED ON:13.03.2007
IMPORT OF SCRAP
Barman Shri Hiten

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the import of live or used arms and ammunition is banned;

(b) if so, the reasons for allowing import as scrap;

(c) the number of cases of seizure of live shells from the imported scrap reported to the Union Government;

(d) the ports from where these scraps are being shipped to India;

(e) the number of firms black listed so far;

(f) the action taken against such firms;

g) the number of persons killed/injured in explosion of shells from the imported scrap in the country during each of the last three years particularly in West Bengal and Maharashtra, State-wise; and

h) the steps taken by the Government to check the import of the same?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) Import of live or used arms or ammunition is restricted and a license is required from the Directorate General of Foreign Trade (DGFT).

(b) Steel scrap is a raw- material for steel making and is consumed by various types of furnaces such as Electric are, induction furnaces located all over India.

(c) to (f) The field formations of Customs have reported cases where live shells were found in imported scrap even though they were accompanied by a Pre-Shipment Inspection Certificate from an Agency listed in Appendix − V of the Handbook of Procedures, 2004-09. These consignments were shipped to India from the Middle East countries. Based on a risk assessment analysis it has been decided to allow import of metallic scrap from two ports, namely, Bandar Abbas, Iran and Hodaideh, Yemen in shredded form only.

The following Pre-Shipment Inspection Agencies have been temporarily suspended for issue of Pre-Shipment Inspection Certificate until a thorough investigation of the matter has been undertaken and conclusions are arrived.

1. M/s Gulf Inspection International Co. (KSC), Kuwait
2. M/s Shin Nihon Kentei Kyokai, Japan.
4. M/s Bureau Veritas, Madagaskar.
5. M/s WLSI Group and Affilates, USA.

(g) The information is being collected and will be laid on the Table of the House.

(h) As a part of the tightening of the regime governing import of heavy metallic scrap, Government has laid down certain new guidelines and procedures in consultation with other Ministries including Home Affairs, Steel, Revenue and Shipping. The regime for import of metallic scrap is under constant review by the Government in order to achieve a balance between the security aspect and the need to ensure adequate availability of scrap for the steel industry in the country.